

is dependent upon you for their food, shelter, clothing, and leadership, and to say I have been fired, my job is out?" Let them have a chance to explain it to a Senator.

I would ask anybody here how many times have they have sat down with an ordinary, hard-working citizen for an hour or a half-hour or for 2 or 3 hours and let that person explain to them the real conditions of life, not what it is like to make sure that company A, company B, or company C has an appropriate tax deduction for their particular interest or that they can expand their power to communicate because they think it is good for the public.

They certainly cannot take Members to a beach resort in the Caribbean to discuss a problem that they individually are having with the Tax Code or how far behind they have fallen on their mortgage payments.

Lobbyists have lots of time under the present structure to do just those things. And it certainly gives them an edge over John Q. Public, whether a lobbyist goes on a trip with an individual and you sit on the deck of a boat fishing for 3 days, or you go to a tennis tournament where the pro fakes his inability to beat the Senator just to win a couple of points, or you are out on a golf trip where you get a golf bag as part of the trip, or you go to a ski tournament—and I have seen them first hand—where it is a uniform, a jacket that could be expensive, maybe a pair of skis, free lessons from one of the top pros in the ski business, sitting in a chair lift going up the side of the mountain that can be a 20 or 25 minute ride in some places, and the lobbyist is sitting alongside of you, and it is Joe and Harry and they talk 20 minutes at a clip riding up and down the mountain.

What do you think the lobbyist talks about, horticulture or the latest way to make a healthy salad? He has a mission, a mission for which he or she is paid, and the mission is to try to develop an attitude within that Senator that has to be favorable to my company, my course of action, my industry, my association. The average citizen does not have a chance to do that. And when they see Members of Congress at the fanciest restaurants getting wine, getting dined, they resent it. They think the deck is stacked against them. They think it is wrong. And I agree. They do not respect a system that operates that way.

Mr. President, I said it before. I do not stand before my colleagues to criticize anyone or to question anyone's motives. I am not claiming to be the holy one around here; I am not. But I do think we all need to change the way we do business. The public certainly thinks so, and it is about time we get it done.

The bill before us is a strong piece of legislation, with tough new rules on gifts. It would ban all gifts—all gifts—from lobbyists. It would prohibit lobby-

ists from taking Members on recreational trips.

Unfortunately, the purpose of this legislation is being either misunderstood or misrepresented because I, like the distinguished Senator from Alaska, who spoke just a few minutes ago, believe that wherever possible we ought to support voluntary groups that have a humanitarian or social mission. But if the organizations sponsoring the trip spend more on feeding and hosting Senators and their travel to get to an event than the ultimate beneficiary gets, there is something in that arithmetic that does not sound particularly honest. And as a consequence what we have said is any trip that is substantially recreational is prohibited. There is no prohibition to participating in charitable events as long as the focus is on the charity.

So, Mr. President, we are at a point in time when we have to step up to the plate. Under the Republican proposal, Members of Congress would be able to accept an unlimited number of gifts so long as each gift is worth less than \$100. That means it can be lunch; it can be theater tickets; it can be dinner the next day; it can be a tennis racket, if they still cost less than \$100; it can be anything as often as a lobbyist likes as long as it costs less than \$100. The \$99.95 special is OK, and it can continue forever.

Well, it does not take long for a few of those to convince someone that this lobbyist is more than a good friend who just wants to be a nice guy.

Lobbyists under the proposal that our Republican friends are putting up could give Senators tickets to the opera one day, tickets to the Super Bowl the next day, tickets to a fancy restaurant the next day, as long as they are buying tickets that cost less than \$100, and so on and so on. Mr. President, that is not reform. It is a sad joke, and it is just not going to wash with the American people.

Before I conclude, I wish to express my appreciation to Senator LEVIN and Senator WELLSTONE and Senator FEINGOLD, all of whom have played critical roles in the development of this legislation. We have been close allies in what has been a long and difficult battle. I appreciate their effort, their skill, and their cooperation.

In conclusion, I urge my colleagues to support this bill and to reject the Republican alternative. Let us finally ban gifts from lobbyists. Let us try to win the confidence of the American people up front, and let us do it the right way.

I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, we have before us a bipartisan, very tough gift reform bill, and this bill will finally put an end to the situation where we get free tickets and free meals and we get recreational travel paid for courtesy of special interests. It is a tough

bill, but cynicism is running deep in this country, and they want political reform. The worst thing we could do would be to pretend we are reforming gifts when we are not doing it.

Now, the McConnell substitute represents business as usual. We are pretending to be tough in the McConnell substitute, but basically we are continuing the current rules—pretending to be tough but basically maintaining the status quo. It is what I would call a sheep in wolf's clothing. It is pretend reform. If you can give an unlimited number of \$99 gifts without disclosure, without accumulating them, that is sham reform. This recreational travel where we can get fancy resorts, fancy meals paid for by special interests, a vacation because it is billed as a charitable event, because part of the money which the special interest pays into the charity goes to the charity, what is left over after they pay for our recreational travel, that has to stop. That has helped to bring this body into disrepute. We must change it. I hope we will change it and do real reform today or tomorrow or when we finally resolve the gift issue.

ORDER OF PROCEDURE

Mr. LEVIN. Mr. President, it is my understanding that at 11 o'clock, the Senator from New Jersey is to be recognized to offer an amendment on the lobbying reform bill; that we are now returning to lobbying reform, and that the time will then be divided where he will control half the time and the Senator from Kentucky or whoever the majority manager of the bill is will control the other half of that 1-hour debate time. Is the Senator from Michigan correct?

The PRESIDING OFFICER. The Senator is correct.

LOBBYING DISCLOSURE ACT OF 1995

The PRESIDING OFFICER. May the Chair announce at this time that under the previous order, the hour of 11 a.m. having arrived, the Senate will now resume consideration of S. 1060, which the clerk will report.

The bill clerk read as follows:

A bill (S. 1060) to provide for the disclosure of lobbying activities to influence the Federal Government, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Under the previous order, the Senator from New Jersey is recognized to offer an amendment on which there shall be 60 minutes of debate.

The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, that 60 minutes is to be divided, as I understand it, between my legislation proponents and those who oppose, to just alert those who are interested.

AMENDMENT NO. 1846

(Purpose: To express the sense of the Senate that lobbying expenses should not be tax deductible)

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. SANTORUM). The clerk will report the amendment.

The bill clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] proposes an amendment numbered 1846.

At the appropriate place in the bill, insert the following:

SEC. . SENSE OF THE SENATE THAT LOBBYING EXPENSES SHOULD REMAIN NON-DEDUCTIBLE.

(a) FINDINGS.—The Senate finds that ordinary Americans generally are not allowed to deduct the costs of communicating with their elected representatives.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that lobbying expenses should not be tax deductible.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, this is a very simple amendment. It expresses the sense of the Senate that a practice currently in law be continued; that is, that lobbying expenses should not be tax deductible. It simply affirms current law and puts the Senate clearly on record in opposition to any efforts to reinstate the lobbying deduction.

The question is reasonable. It says, "Why bother? Why bother, FRANK, when in fact it is in law now?" Because I get rumblings, I get communications, indirectly, that there are people who think that we ought to reinstate the deductibility for lobbying expenses. I want to see the Senate clearly on record that says if we have the majority of the votes, that this is a practice that ought to be continued.

What provokes this? It is that I offered an identical amendment in the Budget Committee, on which I sit, during this year's markup of the budget resolution. The amendment was solidly backed by a voice vote and it passed the Senate as part of the Senate version of the budget resolution.

Unfortunately, I guess somebody blinked in conference and the provision was dropped. So what the conference said is, "Well, we don't want to confirm the fact that present practice should continue, but it implies, therefore, that perhaps the deductibility of lobbying expenses ought to come back into the arena."

One can question why it was dropped, but one cannot obtain a satisfactory answer.

So, Mr. President, since we are discussing lobbying reform, and this is an excellent bill and just the right time to make sure that everybody knows what goes on here and that lobbyists have no advantage that other people in this society should be having, while it is not possible to clearly do that because of the physical presence, we ought to get as close to leveling this field as we can.

I want to see the Senate clearly go on record in final opposition to providing a tax break for lobbying efforts.

After all, this year we are in the process of developing budget legislation that will impose severe costs on ordinary Americans. Congress has already asked senior citizens to accept deep cuts in Medicare and Medicaid. I can tell you from the calls I get back home in New Jersey, and across this country, people say, "For Lord's sake, Senator LAUTENBERG, don't let them do that. Right now I am burdened with the extra costs on top of my Medicare reimbursement that I get to the tune on average of 20 percent of my income."

They say, "I can't afford to pay more." They say to me that, "When I face the prospect of spending \$3,300 more in the next 7 years, the last year being \$800 or \$900, it could break the bank, as far as I am concerned," remembering that 75 percent of our senior citizens live on \$25,000 a year or less in income; 35,000 live on \$10,000 a year or less in income.

So as we examine our budget, we want to make sure that we are being fair with ordinary, hard-working American people or, if not hard-working, those who worked hard for many years and finally have retired.

Students are going to be asked to accept sharp reductions in student loans. It is going to cost them a lot more, and I hear pleas from young people who want desperately to go to college, who say, "My folks just cannot hand me the money to do that and I have to go out and borrow the money and pledge my future against it." Everyone knows they are clever enough, those young people going to college, to know that it is going to cost them more for their student loans than it did before. They are not like I who was able to get the benefit of a GI bill because I served in World War II and got my education paid for. These young people are not going to have that opportunity.

Working families will be asked to endure a significant tax increase as Congress cuts back on the earned income tax credit, a provision to help lower income people keep their head above water.

The people who lose in this year's budget generally are people who have no lobbyists representing them. They are simple, ordinary Americans who hardly know what is about to happen to them; thus, the frustration that we see is transferred into anger and rage. Most are too busy to follow developments in Washington. They have their own jobs to do, their own families to raise, their own bills to pay, and they do not have lobbyists on retainer to watch out for their interests and call them up and say, "Hey, Joe, guess what is happening? They are going to make you pay more for" this, more for that, "what do you think?" Their opinions are not sought.

Meanwhile, many of the special interests that benefit from the lavish

subsidies are well represented in Washington. Special interests, lobbyists are already working hard to protect their clients' favorite Government handout, and you can be sure they will be doing everything they can to ensure their wealthy clients will not lose any of their tax breaks.

Mr. President, there is no question that those Americans who can afford to hire lobbyists for special interests already have a major advantage in the legislative process. They ought not also to get an advantage in the Tax Code. Fortunately, the 103d Congress recognized and repealed the deduction for lobbying. That repeal saved the U.S. Government \$653 million over 5 years, a substantial sum. More than half a billion dollars over a 5-year period. And, yet, not everybody is happy with the repeal of that deduction.

Now that we have a new majority in the Congress, some believe that the lobbying deduction ought to be reinstated. According to the newspaper Roll Call, a national grassroots campaign is now underway to push for restoration of the lobbyists' tax break. The main targets of this campaign are those who are members of the House Ways and Means Committee and the Finance Committee in the Senate. But all Members are likely to feel the pressure, and I know I have heard from people in New Jersey urging that the deduction be reinstated. I can only assume that all of my colleagues have been subject to similar lobbying efforts.

Mr. President, I believe that the vast majority of the public opposes a tax break for lobbying. In fact, this proved to be a significant issue in my campaign last year for my third term. My opponent in 1994 called for reinstatement of the lobbying deduction. I strongly disagreed with him and, obviously, did it publicly. In judging from the reaction of the people I met in New Jersey, this was an argument that I won hands down.

Unfortunately, the possibility of reinstating the lobbying deduction so far has not received a great deal of attention in the public at large. So long as the American people do not know what is going on, it can be easy to quietly insert a related provision in a huge tax bill. I do not think that ought to be allowed to happen. As we are getting close to the consideration of the reconciliation bill, I think it is important that the Senate go clearly on record in opposition to the idea of reinstating that tax deduction.

The need to put the Senate on record is especially important, given the opposition from the House to including this same amendment in the conference report on the budget resolution. The House was willing to accept other sense of the Senate language, but for some reason they could not bring themselves to accept this. Our Senate negotiators could not keep it in the bill. One can only conclude that the House leadership apparently thinks

that the lobbyists ought to get this tax break back.

Now, Mr. President, I understand the view of some that say that lobbying should be considered like any other cost of doing business, and so it should be deducted. That is a view that apparently many in the other body believe. Based on the feedback that I have heard from constituents, the American people would strongly disagree. In their view, I think it is a matter of basic fairness, a matter of priorities.

Mr. President, if an ordinary citizen writes a letter to their Member of Congress to express their concern about proposed cuts in education, that is not deductible. If an ordinary citizen takes the train or a plane or drives down to Washington from New Jersey or other places to meet with Senate staff about the high cost of Federal taxes, the cost of that train ride or the plane ride are not, generally, deductible. If a senior citizen, concerned about Medicare cuts, drives across his or her State to collect signatures on a petition, these costs are not deductible.

Now, Mr. President, if ordinary citizens like these cannot deduct their lobbying expenses, neither should a special interest group who hires a lobbyist to protect its favorite Government subsidy and neither should a billionaire who hires a lobbyist to protect his favorite tax break or his special opportunity to grow his profits.

It is a question of fairness. It is a question of priorities. Think of it this way, Mr. President. Reinstating the deduction for lobbying would cost the Government over \$100 million a year for the next 5 years—in fact, \$650 million. Even if we think that lobbying expenses should be deducted, is this really a priority in these times of fiscal austerity, in these times of extreme sacrifices by many of our citizens who work hard and are barely treading water?

How can we in good conscience spend \$650 million for a tax break for lobbyists and then severely cut Medicare? How can we spend \$650 million for a tax break for lobbyists and then turn around and cut education? How can we spend \$650 million for a tax break for lobbyists and then turn around and increase taxes on ordinary Americans, lower income citizens, by cutting back on the earned income tax credit?

Mr. President, with all the problems facing this country, we simply have to set our priorities straight. And giving a tax deduction to lobbying just should not be high on that list.

I want to be clear about something. I am not here to bash lobbyists. Not by any means. In fact, I would be the first to say that they often get a bum rap. Most are top-notch professionals—some of them trained in postgraduate courses, law school, Government, et cetera—and they perform important functions. They have every right, under the first amendment to the Constitution, to petition Government officials. What they do not have as a right

is the ability to have their expenses deductible.

Now, this is not a radical idea, Mr. President. Congress reached the same conclusion 2 years ago. My point today is simply that we should not reverse that earlier decision, that, in fact, we ought to reaffirm that earlier decision so there cannot be any mistake about what this Congress stands for in terms of that deduction. This is a declaration of fealty, of loyalty, that we are going to preserve the nondeductibility of those expenses.

It would only strengthen the public cynicism about the Congress, which they already see as controlled by lobbyists and special interests. We cannot wonder why. It is quite apparent.

I want to add this point. I appreciate, Mr. President, there is some controversy about some of the details of the current law and how it is administered. My amendment is not intended to address these issues. I am not here to endorse every dot and comma in the IRS regulations, or to oppose minor modifications to current law in the area. I am here to make a more general point. If ordinary Americans are not allowed to deduct the costs of communicating with their elected representatives, lobbying expenses should not be deductible, either. It is a basic matter of fairness and priorities.

So, to repeat, Mr. President, my amendment simply expresses the sense of the Senate that lobbying expenses should not be tax deductible. Present law ought to continue. I hope that my colleagues on both sides of the aisle intend to continue the present policy. That is what we are going to see by the vote that we will be requesting, Mr. President.

Mr. President, as I understand, any opposition to this amendment has half an hour to express their opposition.

I suggest the absence of a quorum, and ask that the time be charged equally to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I interrupt the quorum call simply to make certain that we are ordering the yeas and nays.

I ask the distinguished manager of the bill on the Republican side whether he will join me in calling for the yeas and nays.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator seek consent to have the time divided between the two sides?

Mr. LAUTENBERG. As was requested, unless it expedites the process further by yielding back?

Mr. MCCONNELL. Mr. President, my indication from floor staff is they prefer the two votes to occur at 12. I am unaware of any speakers on this side.

If Senator LAUTENBERG would like additional time, I will be happy to yield it.

Mr. LAUTENBERG. Mr. President, the case was made, I hope clearly and sufficiently.

I therefore will yield all time and just have the vote occur as planned at 12 o'clock.

Mr. MCCONNELL. We are planning on the vote occurring at 12. So my suggestion would be for us to just put in a quorum call and let the time run and the two votes will occur at 12.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

The time will be equally deducted from both sides.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BOSNIA RESOLUTION

Mr. DOLE. Mr. President, let me indicate to my colleagues that at 2:15 we will return to the Bosnia resolution which we will complete today. We hope we can do that without a number of amendments. I know there are 4 hours of debate, and we have debated this issue over and over and over again. I think it is—maybe not ironic, but another safe haven has fallen as we begin the debate. It seems to me that it is going from bad to worse on a daily basis.

I believe it is time that we lift the arms embargo. We have strong bipartisan support. Senator LIEBERMAN will lead the effort this afternoon. So I appreciate his willingness to cooperate.

THE LEGISLATIVE AGENDA

Mr. DOLE. Mr. President there will also be, for those who have an interest, a joint leadership meeting of House and Senate leaders at noon today where we will discuss the legislative effort between now and the so-called August recess, whenever that begins. And we will try to go over matters of mutual interest.

CONGRESSIONAL GIFT REFORM ACT

Mr. DOLE. Finally, Mr. President, let me say with reference to the gift ban,